

## January 28, 2011

Via electronic filing: privacynoi2010@ntia.doc.gov

National Telecommunications and Information Administration, U.S. Department of Commerce 1401 Constitution Avenue, NW. Room 4725 Washington, DC 20230

Re: <u>IAB's Comments — Information Privacy and Innovation in the Internet Economy, Docket No. 101214614–0614–01</u>

Dear Internet Policy Task Force:

The Interactive Advertising Bureau ("IAB") provides these comments in response to the Department of Commerce's ("Department") request for comment on a green paper concerning commercial data privacy and innovation in the Internet economy. We commend the Department for its support for and recognition that voluntary codes of conduct are the preferred approach for addressing the intersection of privacy and online advertising practices. We believe this approach reflects the tremendous value created by online advertising for both consumers and the economy, and the impact self-regulation and education has collectively had on consumer privacy.

Founded in 1996 and headquartered in New York City, the IAB (www.iab.net) represents over 470 leading companies that actively engage in and support the sale of interactive advertising, including leading search engines and online publishers. Collectively, our members are responsible for selling over 86% of online advertising in the United States. The IAB educates policymakers, consumers, marketers, agencies, media companies and the wider business community about the value of interactive advertising. Working with its member companies, the IAB evaluates and recommends standards and practices and fields critical research on interactive advertising. The IAB is committed to promoting best practices in interactive advertising, and is one of the leading trade associations that released cross-industry self-regulatory privacy principles for online behavioral advertising.<sup>2</sup>

IAB believes that the appropriate approach to address consumer online privacy is through industry self-regulation and education. Existing and emerging robust self-regulatory principles address privacy concerns while ensuring that the Internet can thrive, thereby benefiting

<sup>&</sup>lt;sup>1</sup> Department of Commerce, *Commercial Data Privacy and Innovation in the Internet Economy: A Dynamic Policy Framework*, at 42 (Dec. 16, 2010), available at <a href="http://www.ntia.doc.gov/reports/2010/IPTF">http://www.ntia.doc.gov/reports/2010/IPTF</a> Privacy GreenPaper 12162010.pdf ("Green Paper").

<sup>&</sup>lt;sup>2</sup> Press Release: Key Trade Groups Release Comprehensive Privacy Principles for Use and Collection of Behavioral Data in Online Advertising, July 2, 2009, available at <a href="http://www.iab.net/about">http://www.iab.net/about</a> the iab/recent press releases/press release archive/press release/pr-070209.

consumers and the U.S. economy. As the Department considers a framework for privacy, IAB asks that the Department consider the following:

- I. Online advertising generates a significant consumer and economic benefit.
- II. Development of voluntary codes of conduct is the preferred approach for addressing privacy concerns associated with online advertising.
- III. Industry has developed the appropriate voluntary code to self-regulate online behavioral advertising practices.
- IV. Industry is rapidly implementing and adopting self-regulatory principles for privacy.
- V. FIPPs are a useful framework for analyzing business practices but should not be the basis for a regulatory model.
- VI. Consumer and business education is critical to protecting consumers online.

These points are further discussed below.

## I. Online advertising generates a significant consumer and economic benefit

For almost two decades, online advertising has been an economic driver that has fueled Internet growth and delivered innovative tools and services used by consumers and business to connect, communicate, and contribute to the continued evolution of the Internet. This advertising-based model continues to drive Internet growth and deliver consumer benefit. According to a recent study entitled *Economic Value of the Advertising-Supported Internet Ecosystem* conducted for IAB by Harvard Business School Professors John Deighton and John Quelch, e-commerce and online advertising contribute \$300 billion each year to the U.S. economy and employ 3.1 million Americans.<sup>3</sup>

The revenue generated by online advertising supports the creation and entry of new businesses, communication channels (*e.g.*, micro-blogging sites and social networks), and free or low-cost services and products (*e.g.*, email, photo sharing sites, weather, news, and entertainment media), as well as an important supplemental revenue source for subscription and other forms of pay business models online. Online advertising enables consumers to compare prices, learn about products, and find out about new local opportunities. Additionally, the Internet empowers small businesses, enabling them to flourish and compete where costs would otherwise hinder their entry into the market. Consumers value the tremendous benefit that they gain from such ad-supported services and products and from the diversity of online companies. The Department should thus avoid unintentionally stifling these consumer benefits and positive contributions to the economy.

Perhaps most importantly, the record demonstrates that consumers are increasingly embracing and participating in Internet activities. A quick analysis of the most recent indicators

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<sup>&</sup>lt;sup>3</sup> Deighton & Quelch, *Economic Value of Advertising Supported Internet Ecosystem*, at 4, 12 (June 10, 2009), *available at* <a href="http://www.iab.net/media/file/Economic-Value-Report.pdf">http://www.iab.net/media/file/Economic-Value-Report.pdf</a>.

reveal that online retail sales during the 2010 holiday season increased 12 percent from 2009, according to a report by the research firm comScore, with consumers spending more than \$32 billion online. Consumers were more satisfied than ever with their e-commerce experiences, according to ForeSee Results' E-Retail Satisfaction Index, giving their online shopping adventures a score of 79 out of 100, the highest rating since the survey began in 2001. Perhaps most informative, research demonstrates that consumers are generally not reluctant to participate online due to advertising and marketing practices. According to a 2009 survey by the National Retail Association, of those consumers who were reluctant to shop online, just 0.1% cited concerns over privacy and the same miniscule percentage (0.1%) cited concerns about retailers tracking online activity.

# II. Development of voluntary codes of conduct is the preferred approach for addressing privacy concerns with online advertising

Development of voluntary codes of conduct continues to be the appropriate approach for addressing the interplay of online privacy and online advertising practices. This approach has successfully demonstrated its ability to address consumer concerns while ensuring that the marketplace is not stifled or restrained by overreaching and rigid regulation. Unlike formal regulations, which can become quickly outdated in the face of evolving technologies, voluntary codes developed through self-regulation provides industry with a nimble way of responding to new challenges presented by the evolving Internet ecosystem.

The Department has long recognized that self-regulation is the preferred approach for addressing consumer privacy and data security. The Federal Trade Commission has also expressed support for this approach in particular for online behavioral advertising practices. In a February 2009 Staff Report, the Department stated, "Staff supported self-regulation because it provides the necessary flexibility to address evolving online business models." We agree. For this reason, IAB was centrally involved with the development of the *Self-Regulatory Principles for Online Behavioral Advertising* ("Principles"), which was released in conjunction with the American Association of Advertising Agencies, Association of National Advertisers, Direct Marketing Association, and with the support of the Council of Better Business Bureaus ("Coalition"). This effort has developed a framework and a platform to address many of the issues raised by the Department, including matters of transparency and choice.

#### A. IAB supports enhanced transparency

The Self-Regulatory Program for Online Behavioral Advertising addresses the Department's transparency goals by providing a uniform, easy-to-find icon that links to information that notifies individuals regarding collection, use, dissemination, and maintenance of data. A prominent feature of this self-regulatory program requires companies to provide enhanced notice outside of the privacy policy so that consumers could be made aware of the companies they interact with while using the Internet. At the center of the transparency

<sup>&</sup>lt;sup>4</sup> FTC Staff Report, *Self-Regulatory Principles for Online Behavioral Advertising*, at 11(Feb. 2009), available at http://www.ftc.gov/os/2009/02/P085400behavadreport.pdf.

<sup>&</sup>lt;sup>5</sup> American Association of Advertising Agencies, Association of National Advertisers, Direct Marketing Association, Interactive Advertising Bureau, and Council of Better Business Bureaus, *Self-Regulatory Principles for Online Behavioral Advertising* (July 2009), *available at* <a href="http://www.iab.net/media/file/ven-principles-07-01-09.pdf">http://www.iab.net/media/file/ven-principles-07-01-09.pdf</a>.

principles, is the call for the deployment of the Advertising Option Icon (depicted in Attachment A). Companies are using this uniform icon when engaged in online behavioral advertising to indicate their adherence to the Principles and as the link that provides consumers with easily accessible disclosures about data collection and use practices associated with online behavioral advertising. This link/icon appears on Web pages where data is collected either in or around advertisements or on the Web page itself in all instances when and where online behavioral advertising occurs.

Backed by technical specifications (*see* Attachment B – CLEAR Ad Notice Standards) governing the deployment of the icon, industry has established uniform standards for communicating online data practices creating a consistent user experience. Specifically, when users click on this icon, they will be provided with notice that describes the particular practices of the party or parties engaged in online behavioral advertising through that ad or on that webpage. Through this notice, consumers can learn about the types of data collected online; and the uses of such data, including whether the data will be transferred to a non-affiliate for online behavioral advertising purposes. They also will be provided with an easy to use mechanism for exercising choice with respect to the collection and use of the data for online behavioral advertising purposes or to the transfer of such data to a non-affiliate for such purpose. This approach helps ensure more standardized notice and greater transparency for consumers, which fosters consumers' trust and confidence in how information is gathered from them online and how it is used to deliver advertisements based on their interests. It also strikes an appropriate balance by ensuring meaningful information is conveyed to consumers in easy-to-find locations while providing companies flexibility in how they provide this information.

# B. Industry has built an easy-to-use, standardized, and centralized choice mechanism for online behavioral advertising

IAB supports empowering consumers with control over targeted advertising. We also support the concept of a uniform choice mechanism with respect to online behavioral advertising. However, IAB has concerns with proposals to establish a federally mandated and operated "Do Not Track" mechanism. IAB believes this form of mechanism is unnecessary and would unfairly malign legitimate online advertising practices. IAB believes that this form of uniform choice is best provided by industry through self-regulatory mechanisms.

IAB has been integrally involved in the development of an easy-to-use choice option that gives consumers the ability to conveniently opt-out of some or all online behavioral ads delivered by companies participating in the self-regulatory program. We are pleased to report that the vast majority of behaviorally delivered ads and companies engaged in these practices are already participating in this choice mechanism. Close to 60 companies are providing choice through the Program and more and more companies are coming into compliance daily.

Currently consumers can exercise choice through this tool and soon will be directed to this choice page by clicking through the Advertising Option Icon and notices provided in or near ads or on web pages where data is collected or used for online behavioral advertising purposes. Once arriving at this choice page, consumers can easily learn which participating companies have currently enabled customized ads for their browser; see all the participating companies on

<sup>&</sup>lt;sup>6</sup> See The Program's Consumer Choice Page, available at <u>www.aboutads.info/choices</u>.

this site and learn more about their advertising and privacy practices; check whether they have already opted out from participating companies; opt out of browser-enabled interest-based advertising by some or all participating companies; or use the "Choose All Companies" feature to opt out from all currently participating companies in one easy step. This tool empowers consumers to better understand online advertising, express their preferences, and make granular decision about how ads are targeted to their preferences.

# III. Industry has developed the appropriate voluntary code of conduct to self-regulate online behavioral advertising practices

As described in Section II, industry has developed a robust and comprehensive program to self-regulate online behavioral advertising practices. In line with the Department's vision, the Principles were born from a multi-stakeholder process involving 11 trade associations and 25 companies through regular meetings held over a year with input from government agencies and advocate groups. In all, the effort delivered seven principles to foster consumer friendly standards that are to be applied throughout the ecosystem. The Principles call for consumer education, the provision of new choice mechanisms, data security, heightened protection for certain sensitive data, consent for certain material changes to online behavioral advertising data collection and use policies, and strong enforcement mechanisms. In addition, the Principles require enhanced notice outside of the privacy policy so that consumers could be made aware of the companies they interact with while using the Internet.

IAB supports the Department's plans for international outreach on commercial data privacy and believes the Department should promote these Principles for international acceptance. The Principles and the multi-stakeholder approach employed to develop this self-regulatory program should be used as an example of an effective mechanism for addressing privacy concerns. Already, the Coalition is working with its international counterparts to encourage international adoption of consistent standards and use of the Advertising Option Icon, and are pleased to report that we are making significant progress in this regard.

### IV. Industry is rapidly implementing and adopting self-regulatory principles for privacy

This cross-industry self-regulatory initiative represents an unprecedented, collaborative effort by the entire marketing-media ecosystem and is rapidly nearing full implementation of the program. The Coalition started this effort in April 2008 by convening a task force to evaluate existing self-regulatory efforts. In October 2008, the task force began drafting principles together with industry associations and companies. In January 2009, the Coalition publicly announced its efforts, and in April 2009, the Coalition began socializing the principles within industry. In July 2009, the Coalition released the Principles. In the following month, the Coalition turned to enforcement, operational implementation, and educational planning.

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<sup>&</sup>lt;sup>7</sup> The Principles apply heightened protection for children's data by applying the protective measures set forth in the Children's Online Privacy Protection Act. Similarly, this Principle requires consent for the collection of financial account numbers, Social Security numbers, pharmaceutical prescriptions, or medical records about a specific individual for online behavioral advertising purposes.

<sup>&</sup>lt;sup>8</sup> Press Release: Key Advertising Groups to Develop Privacy Guidelines for Online Behavioral Advertising Data Use and Collection, January 13, 2009, available at <a href="http://www.iab.net/about">http://www.iab.net/about</a> the iab/recent press releases/press release archive/press release/pr-011309.

In early fall 2010, the Coalition selected the Advertising Option Icon. On October 4, 2010, the coalition of trade associations launched AboutAds.info, the website for the selfregulatory program for online behavioral advertising. <sup>10</sup> At this site, companies can acquire the right to use the Advertising Option Icon, register to participate in the industry choice page, and obtain information concerning implementation of the Principles. This site also serves as hub for consumer and business education materials. In November 2010, the industry choice page was made available to the public. In recent weeks, the Coalition has selected and recognized three companies –Double Verify, Evidon (formerly the Better Advertising Project), and TRUSTe – as providers of services and technologies used to provide enhanced transparency in to, and control over online behavioral advertising. They will assist companies in delivering the Advertising Option Icon, notice, and a link to a consumer choice mechanism, and with compliance with the Principles.

The Coalition continues to work to implement the Principles. One key implementation area involves developing accountability programs. IAB understands that strong independent enforcement is key to any self-regulatory program. This is why IAB has allocated considerable funding to the Council of Better Business Bureaus ("CBBB") to develop a robust compliance and monitoring system for the entire industry. The CBBB is a leader in building enforcement programs around difficult advertising policy issues and has successfully partnered with the Department in the past on issues such as food and beverage advertising and online marketing to children. The CBBB will utilize a monitoring technology platform to foster accountability among participating companies with respect to the Transparency and Control requirements of the Principles, as well as managing consumer complaint resolution. The CBBB has set a compliance deadline of March 31, 2011. Our partner association in the effort, the Direct Marketing Association, will also use its longstanding enforcement effort, providing further efforts to ensure broad industry compliance.

Industry has faithfully and diligently worked to build a credible self-regulatory and enforcement framework for online behavioral advertising. This effort has already delivered an unprecedented comprehensive self-regulatory framework for online behavioral advertising, continues to provide effective educational resources, and has shown tremendous promise and likelihood to achieve its objective – delivering consumer friendly standards for online behavioral advertising across the Internet.

## V. FIPPs are a useful framework for analyzing business practices but should not be the basis for a regulatory model

Fair Information Practice Principles ("FIPPs") provide a suitable framework for analyzing business practices to help evaluate potential impact from products, services, or data practices on consumers. However, as the Department has indicated in its green paper, the wholesale application of FIPPs for every business and activity is not practical. 11 FIPPs are meant

Green Paper at 41.

<sup>&</sup>lt;sup>9</sup> Press Release: Key Trade Groups Release Comprehensive Privacy Principles for Use and Collection of Behavioral Data in Online Advertising, July 2, 2009, available at http://www.iab.net/about\_the\_iab/recent\_press\_releases/press\_release\_archive/press\_release/pr-070209

<sup>&</sup>lt;sup>10</sup> Press Release: Major Marketing / Media Trade Groups Launch Program to Give Consumers Enhanced Control Over Collection and Use of Web Viewing Data for Online Behavioral Advertising, October 4, 2010, available at http://www.iab.net/about\_the\_iab/recent\_press\_releases/press\_release archive/press\_release/pr-100410.

to be general and to serve as guiding principles to be applied relative to the context and data at issue. The level of safeguard appropriate in any given context is influenced by many factors including consumer preferences, technology, platform, and potential risk associated with a data type. For example, in the context of online behavioral advertising, certain FIPPs lend well to a self-regulatory framework while others do not. For instance, transparency with respect to data practices is a prominent feature of the Self-Regulatory Principles as well as providing consumers the ability to choose whether to participate in online behavioral advertising. These FIPPs based features are sensible to include into the self-regulatory framework. Conversely, data quality and integrity requirements are unnecessary in online advertising. The costs associated with building the infrastructure to permit access and correction rights for advertising and marketing data would significantly outweigh the supposed benefits from these rights. Inaccurate advertising and marketing data would at worse result in a less relevant advertising.

Imposing baseline privacy requirements based on FIPPs would not provide the necessary flexibility to appropriately tailor or decide whether a FIPP is appropriate for a particular business, activity, or model. Consumers and industry are better served using a FIPPs framework voluntarily to analyze business and data practices.

### VI. Consumer and business education is critical to protecting consumers online

IAB believes that consumer education is vital to demystifying online advertising practices and informing consumers of the availability of choice and tools to control one's online experience. For this reason, IAB launched the first of its kind online Public Services Announcement ("PSAs") campaign. In December 2009, IAB commenced its "Privacy Matters" initiative to deliver information about online advertising. "Privacy Matters" is an educational campaign designed to educate consumers about how they can manage their online experience and to help consumers better understand and appreciate how Internet advertising supports the Internet. As part of this unparalleled effort, IAB, through the participation of its online publisher members, has delivered close to 600 million online PSAs, providing details about online advertising and tools that consumers can use to manage their online privacy.

The "Privacy Matters" campaign was designed to capture the attention of consumers and engage them in an interactive educational experience (*see* Attachment C – IAB Privacy Matters Screenshots). Consumers can link from the PSA to the "Privacy Matters" web site to learn more about the "workings and history of online advertising," "interest group targeting," "geotracking," "demographic targeting," and "behavioral advertising." These five separate educational modules provide information about advertising practices and make resources available to consumers about the availability of choice, online security, and tips on how to safely surf the web.

Through January 2011, the results of this campaign have been excellent. Nine percent of all delivered impressions are being "moused-over" by consumers, meaning they are engaging with the PSA. The average amount of time that consumers spend on the PSA once they roll over it is 28 seconds, which shows consumers are reading and digesting the message. The time spent viewing a PSA is equivalent to about twice the exposure time of the most common, 15-second, TV commercial. Perhaps most encouraging, the click-through-rate ("CTR") for this campaign is

<sup>&</sup>lt;sup>12</sup> See IAB Privacy Matters' website, available at www.iab.net/privacymatters.

out performing the standard CTR range for public service campaigns. In all, the "Privacy Matters" campaign is effectively reaching consumers. These numbers demonstrate that consumers are taking the time to read the information and interact with the educational resources.

IAB is participating in a second campaign jointly with the Coalition and the participating business community. This second educational campaign provides both consumers and businesses with information concerning the Principles. This multifaceted campaign includes: the launch of AboutAds.info, the website for the self-regulatory program for online behavioral advertising; community outreach by the participating trade associations; a series of educational webinars to assist businesses with coming into compliance with the Principles; and the delivery of additional PSAs.

This second campaign educates the online community about the nature and operation of the self-regulatory program for online behavioral advertising and educates the community on the purpose and functionality of the selected icon/link used to provide notice of online behavioral advertising practices. For consumers, the campaign describes the availability of enhanced notice provided through links in or around the advertisements or on the Web page itself in all instances when and where online behavioral advertising occurs. Consumers are being made aware of the types of information collected and used for advertising purposes and will be informed of the availability of new choice mechanisms and how to exercise such choice. In addition, the trade associations are working with their members to explain how businesses can go about complying with the industry principles.

\* \* \*

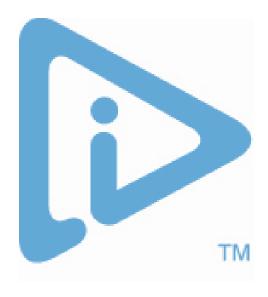
We thank you for the opportunity to submit these comments, and look forward to working closely with the Department on these important issues. Please do not hesitate to contact me with questions at 202-253-1466.

Sincerely,

Michael Zaneis Senior Vice President & General Counsel

cc: Stuart Ingis, Venable LLP
Michael Signorelli, Venable LLP

# **ATTACHMENT A**



Ad Choices

# ATTACHMENT B CLEAR AD NOTICE



# **CLEAR Ad Notice**

(Control Links for Education and Advertising Responsibly)

# **Technical Specifications**

for the Implementation of the Interactive Advertising Self-Regulatory Principles for Online Behavioral Advertising (July 2009)

V1.0

Released April 2010

This document has been developed by the Interactive Advertising Bureau (IAB) and the Network Advertising Initiative (NAI).

About the Self-Regulatory Program for Online Behavioral Advertising Working Group: The cross-industry Self-Regulatory Program for Online Behavioral Advertising Working Group consists of leading industry associations to apply consumer-friendly standards to online behavioral advertising across the Internet.

#### **Related Documents:**

Related documents, including the *Self-Regulatory Principles for Online Behavioral Advertising*, July 2009, can be found at <a href="https://www.iab.net/behavioral-advertisingprinciples">www.iab.net/behavioral-advertisingprinciples</a>

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# **Overview**

While there are many opportunities and tools for users to learn and control their online computing experience (browser based tools, 3<sup>rd</sup> party tools, etc.), there is still concern in the marketplace that consumers are still not informed of their advertising choices. The online advertising industry has the opportunity to significantly increase the level of consumer awareness and control with respect to interest-based advertising.

If unified under a single standard, the online advertising ecosystem can convey "metadata" (data about the ad itself) during the ad serving process. That data can be surfaced to the consumer through multiple mechanisms. Notice elements would provide a consistent user experience to access privacy notices, education and opt-out links. The combination of these elements could support a more comprehensive and consistent disclosure in or around ads.

This document covers a proposed technical standard to empower each member of the online advertising community to communicate their presence and behavioral advertising targeting practices (if any) to consumers in a simple and direct manner.

# **Objectives**

These technical specifications were developed to:

- Meet the third-party<sup>1</sup> requirements set forth in the Self-Regulatory Principles for Online Behavioral Advertising released in July 2009 by the cross-industry Self-Regulatory Program for Online Behavioral Advertising Working Group.
- Be flexible enough to allow for future expansion as the online advertising industry matures.
- Be open such that publishers, browser developers, tool developers, or any other party can easily take advantage of the collective knowledge being presented to the end-user and experiment with new and better ways to communicate this information.

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<sup>&</sup>lt;sup>1</sup> Although publishers may also wish to implement these guidelines, there are separate requirements set forth in the Self Regulatory Principles concerning first-party notice on websites, such as an independent link in the footer of a web page (e.g. "About Our Ads"). Please refer to the Principles document for specific first-party guidance.

# The Online Advertising Ecosystem

The online advertising environment has evolved over the past 15 years to include five primary participants: advertiser, publisher, ad network, audience intelligence providers, and ad exchanges.

- Advertisers pay to present their ads to consumers.
- **Publishers** get paid to utilize some of their site "real-estate" to display an ad.
- Ad Networks provide the infrastructure to connect advertisers and publishers.
- Audience Intelligence Providers provide customized audiences to help advertisers more accurately convey their message to the intended audience.
- Ad Exchanges provide a neutral technology platform to allow ecosystem
  participants to interact with one-another to extend their reach and/or inventory for
  online advertising.

The CLEAR Ad Notice provides for transparency to each ecosystem participant involved in an ad serving event.

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# **CLEAR Ad Notice**

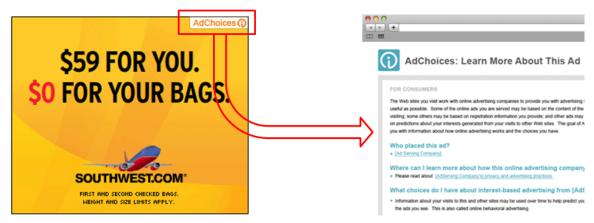
The CLEAR Ad Notice is divided into three components:

- 1. **Ad Marker**: The link either in close proximity to or on the ad itself that allows for interaction with a consumer to learn more about that ad
- 2. Metadata: The data about the ad that travels with the ad
- 3. Ad Interstitial: The visual rendering of the metadata to the consumer

Two visual implementation examples of these three components appear below:



Example 1: Ad Marker opens an overlay Ad Interstitial populated with the Metadata



Example 2: Ad Marker, using the Metadata, opens a new page (the Ad Interstitial) with information on the Ad and the Third Party

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The CLEAR Ad Notice is flexible enough to allow these components to be served by either the Publisher or the Ad Network.

Component	Served By	Options
Ad Marker	Either Publisher or Ad Network	Can place adjacent to ad (Ad Slug) or on top of ad (Overlay)
Ad	Ad Network	As served today
Metadata	Ad Network	Can support multiple versions/metadata types (JS & Header)
Ad Interstitial	Either Publisher or Ad Network	Can be served as "overlay" script or as a separate page

# **Ad Marker**

The Ad Marker is the visual representation of a "link" presented to the user to learn more about the ad they are currently viewing.

The Ad Marker consists of two elements: an approximately 12x12 pixel **icon** and **text**. Full creative specifications, including size of the icon, font size for the text, text options, and color options will be published in a separate Creative Specifications document.

The Ad Marker can be placed in one of two locations for a standard graphical ad (listed in order of preference):

- Upper Right Corner of Ad (overlay)
- Upper Right Corner outside of Ad (may replace current "Advertisement" markers)

#### **Ad Marker Elements**

- Icon: Please note full creative implementation options will be published in a separate Creative Specifications document.
- Text: Three choices have been developed and chosen by the Self-Regulatory Program for Online Behavioral Advertising Working Group: 'Why did I get this/these ad(s)?', 'Interest Based Ad(s)', or 'Ad Choice(s)'. Please note full creative implementation options will be published in a separate Creative Specifications document.

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## Metadata

## **Transport Approach**

To meet the stated business goals, simplicity is essential. As such, CLEAR Ad Notice requires that, with each ad serving event, data about the ad travel with the ad itself. The transport of metadata (data about the ad) can be conveyed across multiple transport mechanisms to provide for a simple or more advanced interaction with the consumer.

- Javascript (JS) Metadata Variables: Simple JS variable declarations
- Header Metadata Variables: Variables transported within the HTTP header of the ad

Each of these transport methods achieves a different goal and both should be supported.

- Visibility: Much like a relay race, the runner on the "last leg" is responsible for carrying the baton over the finish line. Similarly, JS Variables would require the "last leg" player to provide the needed variables to convey with the ad so they can be rendered for the end-user.
- Accessibility: The Header approach provides a more robust communication vehicle but cannot be interrogated by code from within the web page (JS Variables can). Although this approach allows for a richer and thorough data communication, external tools such as browser plug-ins or native browser features would need to be built to read this information. Headers allow for all data elements to be conveyed with an ad between each "relay" in the ad serving event.

## Javascript (JS) Metadata Variables

Most graphical ads today allow for basic HTML to be served with the ad to accommodate instrumentation of the ad and/or to allow for rich media ads. JS Variables leverage this fact to allow a CLEAR Ad Notice tag to accompany the ad when served (this works even if served within an iFrame). Once on the page, another JS variable served either with the ad or made available by the publisher will allow the metadata to be read and rendered to the user.

The CLEAR Ad Notice tag will carry multiple values in an array (as more than one ad may be served at one time or on the same page). The variables names are preceded with "CAN" to offer uniqueness and reduce the possibility of variable collision on a page.

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Name	Variable	Description
Version	CAN-ver()	Provides the version of the CAN Standard being used so publishers and tools can appropriately process the passed information.
Advertiser Name	CAN-adn()	Provides the legal business name of the advertiser responsible for developing and placing the advertisement
Advertiser Link	CAN-adl()	Suggested this links to the advertiser's home page or page explaining their advertising practices and partners
Network Name	CAN-ann()	Provides the legal business name of the ad network responsible for the placement of the advertisement
Network Link *	CAN-anl()	Suggested this links to the network's advertising practices and control (opt-out) page
Matcher Name	CAN-man()	Provides the legal business name of the party providing matching services for the ad
Matcher Opt-Out Link	CAN-mol()	Suggested this links to the matching party's interest management or opt-out page
Matcher Manage Link	CAN-mml()	Suggested this be used in situation where a party host separate interest management and opt-out links
Match Flag *	CAN-maf()	Is behavioral targeting used for this ad – Y/N?

<sup>\*</sup> Minimum Metadata Requirements: The Network Link and Match Flag variables are the only required elements, however it is recommended that all elements be implemented when possible.

# **Example: Javascript (JS) Metadata Variables**

CAN Tags will most likely be JS wrapped but that has been stripped out in this example to make it easier to read:

```
<!--
CAN-ver(1)="0.1"
CAN-adn(1)="Joe's Shoes"
CAN-adl(1)="http://www.joeshoes.com/info"
CAN-ann(1)="Advertising.Com"
CAN-anl(1)="http://www.advertising.com/privacy"
CAN-maf(1)="Y"
-->
```

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## **Header Metadata Variables**

The short version of the names should be used; the longer versions are provided for clarity.

Field Name	Field Example	Description
[Entity].name	Advertiser.name (ad.n)	Provides the
	Adnetwork.name (an.n)	legal business
(short version: [abbr.n])	Exchange.name (ex.n)	name of the
	AudienceIntelligence.name (ai.n)	entity
[Entity] .privacypolicy	Advertiser.privacypolicy (ad.pp)	Provides the
	Adnetwork.privacypolicy (an.pp)	link to the
(short version: [abbr.pp])	Exchange.privacypolicy (ex.pp)	entity's
	AudienceIntelligence.privacypolicy (ai.pp)	privacy policy
[Entity].optout	Advertiser.optout (ad.oo)	Provides the
	Adnetwork.optout (an.oo)	link to the
(short version: [abbr.oo])	Exchange.optout (ex.oo)	entity's
	AudienceIntelligence.optout (ai.oo)	interest
		management
		or opt out
		page
[Entity].targeting:behavior	Advertiser.targeting:behavioral (ad.bt)	Is behavioral
al	Adnetwork.targeting:behavioral (an.bt)	targeting used
	Exchange.targeting:behavioral (ex.bt)	for this ad -
(short version: [abbr.bt])	AudienceIntelligence.targeting:behavioral	Y/N, can be
	(ai.bt)	extended to
		include
		specific
		interests in
		the future

# **Example: Header Metadata Variables**

Since every ad has its own headers, there is no need to enumerate the ads on the page or enclose additional information about the ad in the header.

1. Client makes a GET request.

GET /index.html HTTP/1.1 Host: catalog.example.com

Accept: \*/\*

Accept-Language: de, en

User-Agent: WonderBrowser/5.2 (RT-11)

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2. Server returns content and the PolicyRef header pointing to the policy of the page.

```
HTTP/1.1 200 OK
  Date: Fri, 10 Jul 2009 16:32:38 GMT
  Server: Apache
  P3P: policyref="http://info.joeshoes.com/w3c/p3p.xml", CP="CAO DSP COR
 CUR ADM DEV TAI PSA PSD IVAI IVDI CONI TELo OTPI OUR DELI SAMI
 OTRI UNRI PUBI IND PHY ONL UNI PUR FIN COM NAV INT DEM CNT STA
 POL HEA PRE LOC GOV",
      ad.n="Joe's Shoes",
      ad.pp="http://www.joeshoes.com/info",
  HTTP/1.1 200 OK
  Date: Fri, 10 Jul 2009 16:32:38 GMT
  Server: rmas-server-core-lz4/4.1.3.1
  P3P: policyref="http://p3p.yahoo.com/w3c/p3p.xml", CP="CAO DSP COR
CUR ADM DEV TAI PSA PSD IVAI IVDI CONI TELO OTPI OUR DELI SAMI OTRI
UNRI PUBI IND PHY ONL UNI PUR FIN COM NAV INT DEM CNT STA POL
HEA PRE GOV",
      ex.n="Right Media".
      ex.pp="http://ad.yieldmanager.com/opt-out",
      ex.oo="http://ad.yieldmanager.com/opt-out"
  HTTP/1.x 200 OK
  Date: Fri, 10 Jul 2009 16:32:38 GMT
  Server: Apache/2.2.9 (Unix) mod ssl/2.2.9 OpenSSL/0.9.7m DAV/2
mod rsp20/rsp plugins v15.08-07-29:mod rsp2.2.so.rhe-5-x86 64.v15.2
  P3P: policyref="http://www.tacoda.com/w3c/p3p.xml", CP="NON DSP COR
NID CURa ADMo DEVo TAIo PSAo PSDo OUR DELa IND PHY ONL UNI COM
NAV DEM",
      an.n="Advertising.com".
      an.pp="http://www.platform-a.com/privacy-
      policy/advertisingcom/company-statement",
      an.oo="http://servedby.advertising.com/optout",
```

Content-Type: text/html Content-Length: 3234

an.bt="Y"

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## Assessment of Metadata Transport Approach

Based on our stated objectives, the proposed metadata approach will provide each member of the online advertising community the ability to communicate their presence and behavioral advertising targeting practices. The following parameters were considered when assessing the metadata transport approach:

- User Experience: No impact. It's simply invisible text (no speed lag or technology interference)
- Convenience: Super lightweight. Requires no communication or connections be established between any ecosystem participant (division of responsibilities)
- Future Proof: Variables (metadata) can be added in the future and won't impact earlier versions
- Open: Visible to the top-level domain, the browser, or any tool the user may download. For example, Internet Explorer could adopt the CLEAR Ad Notice and allow the user to activate a pop-up of their own (similarly, a 3rd party plug-in could do the same thing)
- Ad Technology Proof: Works for any technology approach we use today (rich media, simple placement, iFrame, nested iFrame) and provides for an advanced mode for users to be able to track each step of the ad serving process
- Browser Technology Proof: Works for older browser versions, mobile browsers, and set top boxes
- Collision Proof: JS and Header variable names are highly unlikely to map against already used variables on any publisher web page. JS variable are assembled in an array to allow for multiple CLEAR Ad Notice tags on a single page.

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# **Metadata Use Cases**

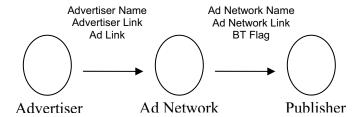
These uses cases are provided to help highlight the business rules for exposing the "last let" of a transaction for JS Metadata Variable passage. (Header Metadata Variables should be passed by each participant in the ecosystem as an ad call moves from one to other—i.e., ad network -> audience intelligence provider -> exchange -> publisher)—so there is no need to establish business rules.)

Several scenarios are provided to demonstrate where data passage would be expected to occur:

- Simple: Advertiser -> Ad Network -> Publisher
- Complex: Advertiser -> Ad Network -> 3<sup>rd</sup> Party Ad Server -> Publisher
- More Complex: Advertiser -> Ad Network -> Exchange (with Audience Intelligence) -> Ad Network -> Publisher

## Simple Use Case

A typical use case is when an advertiser places creative with an Ad Network to be distributed to a publisher or publishers.



In this example, the Advertiser would most likely provide their details to the Ad Network prior to delivering the Ad itself for delivery. The Ad Network obviously knows its own information and would also know if the ad its being BT targeted.

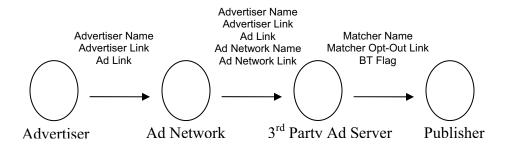
The resulting metadata is:

```
<!--
CAN-ver(1)="0.1"
CAN-ad(1)="the ad link"
CAN-adn(1)="the advertiser's name"
CAN-adl(1)="link to the advertiser's site 'company info' page"
CAN-ann(1)="the ad network"
CAN-ann(1)="link to the ad network's 'what is this' page"
CAN-man(1)= [empty or repeat of the ad network name]
CAN-mol(1)="link to the ad network's 'opt-out' page"
CAN-mml(1)=[empty in this case]
CAN-maf(1)="Y"
-->
```

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## **Complex Use Case**

Another typical use case would be to introduce a 3<sup>rd</sup> Party Ad Server into the mix. In this case, the 3<sup>rd</sup> Party Ad Server's technology platform is leveraged for ultimate selection and placement of the ad on a Publisher' site. In this case, the 3<sup>rd</sup> Party Ad Server is holding the user profile and is named as the Matcher – with a link to their Opt-Out.



Much like in the first example, the Advertiser would most likely provide their details to the Ad Network prior to delivering the Ad itself for delivery. In this case, the Ad Network must transmit the Advertiser's information and their own to the 3<sup>rd</sup> Party Ad Server to provide all of the necessary elements to assemble the metadata to be placed on the Publisher's site.

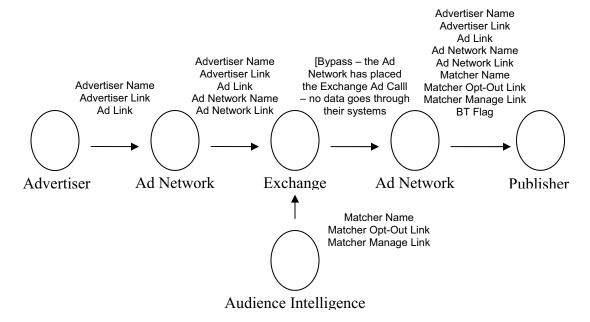
#### The resulting metadata:

```
<!--
CAN-ver(1)="0.1"
CAN-ad(1)="the ad link"
CAN-adn(1)="the advertiser's name"
CAN-adl(1)="link to the advertiser's site 'company info' page"
CAN-ann(1)="the ad network"
CAN-anl(1)="link to the ad network's 'what is this' page"
CAN-man(1)= "the 3<sup>rd</sup> party ad server's name"
CAN-mol(1)="link to the 3<sup>rd</sup> party ad server's 'opt-out' page"
CAN-mml(1)=[empty in this case]
CAN-maf(1)="Y"
```

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## More Complex Use Case

A highly complex case would be to introduce an Exchange Platform and an Audience Intelligence provider into the data flow. In this case, the Exchange technology platform is leveraged to match an ad creative with a Publisher's site inventory across multiple Ad Networks or 3<sup>rd</sup> Party Ad Servers.



This example builds upon the last example and adds two new dimensions—an Exchange Platform and an Audience Intelligence provider. In this case, the Ad Network providing the inventory has placed the Exchange Platform ad tags on the publisher's site (either statically or dynamically) such that the Exchange itself is now responsible for delivering the resulting Ad and associated metadata. The Exchange will need to require the Ad Network delivering the Advertisement to provide the Advertiser details (this can be delivered with the ad creative on the fly or can be preset on the Exchange Platform). Additionally, the Exchange Platform targets the ad using data from an Audience Intelligence provider (which has a profile management interface for this example).

#### The resulting metadata:

```
<!--
CAN-ver(1)="0.1"
CAN-ad(1)="the ad link"
CAN-adn(1)="the advertiser's name"
CAN-adl(1)="link to the advertiser's site 'company info' page"
CAN-ann(1)="the serving Ad Network's name"
CAN-anl(1)="link to the serving Ad Network's 'what is this' page"
CAN-man(1)="the Audience Intelligence provider's name"
CAN-mol(1)="link to the Audience Intelligence 'opt-out' page"
CAN-mml(1)="link to the Audience Intelligence 'profile mgmt' page"
CAN-maf(1)="Y"
-->
```

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# **Ad Interstitial**

The final step in the CLEAR Ad Notice process is rendering the metadata to the consumer when they click on the Ad Marker. This is accomplished through an Ad Interstitial. The Ad Interstitial can be served as an overlay or in a separate browser window.

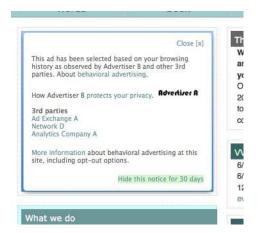
#### Goals of the Ad Interstitial

- Consistency
  - Reveal metadata in user-friendly way. For example, a privacy "nutritional label" or a standard landing page layout
- Easy to understand
  - Limit # of data fields for ease of use
- User choices available
  - Opt-out links and/or
  - Profile viewer links (for companies that support such a model)
- Delineates between
  - Advertiser
  - Ad delivery vehicle
  - Targeting data
  - o Educational links: Associations, government agencies, company-specific

## Ad Interstitial As Overlay

The following are examples of an overlay approach as opposed to a new browser window approach.





A live reference implementation of an Ad Interstitial overlay can be found at: <a href="http://green.yahoo.com/living-green">http://green.yahoo.com/living-green</a>. (Code for this implementation is available upon request from Yahoo!)

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### **Ad Overlay Implementation Options**

There are two basis models of implementation of the CLEAR Ad Notice: Mediated and Direct. The CLEAR Ad Notice was designed to work equally well for both.

### Mediated: Publisher creates their own Interstitial and populates with metadata

- Most likely, this is attractive to large publishers
- Examples of this in the marketplace would be eBay and Bebo
- Most likely, the Ad Marker will be served outside of the ad

# Direct: Ad Network creates Interstitial and includes visualization in the ad serving event

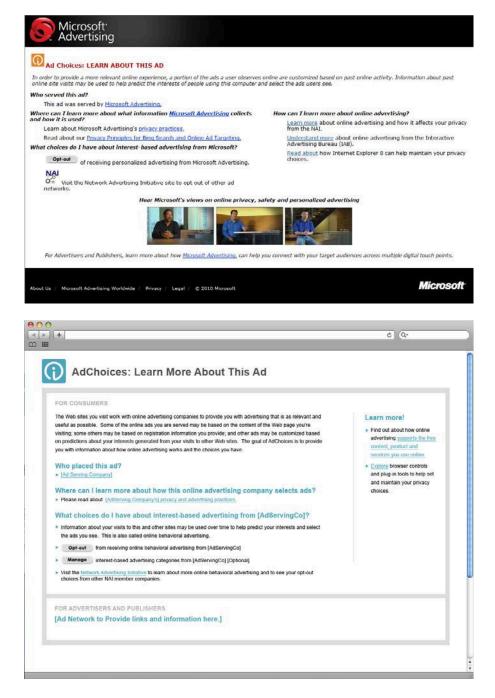
- Most likely needed for small and medium publishers
- o Examples of this in the marketplace would be Google and Fetchback
- o The Ad Marker can be served on or in close proximity to the ad

It's important to note that even in Direct models, the Ad Network should still publish the CLEAR Ad Notice JS Metadata Variable tag and Header Metadata Variables to remain open and to allow third-parties or browsers to consume and present this information to the user through their own visualization approaches and tools.

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## Ad Interstitial As Landing Page

As described in the Metadata section, the minimum requirement is passing the Network Link and Match Flag. In this situation, implementation of the interstitial most likely takes the form of an opening of a new window populated by a "landing page" for the Ad Network and its online behavioral advertising policies. Examples of what these landing pages may look like appear below (all examples are for illustrative purposes only and do not represent actual or recommended language or design)



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# Implementation Timeline

It will take time to introduce the full CLEAR Ad Notice to all participants in the online advertising ecosystem. To better maintain cohesion and unity, it is recommended this be accomplished in agreed-upon phases between the advertising ecosystem participants. Below is a recommended timeline.

## **Beta/Preliminary Testing Phase:**

In order to lay the groundwork for the placement of Ad Markers on ads in subsequent phases, initial testing of the Ad Marker should be carried out prior to the availability of metadata. Such testing will provide important feedback both from a consumer and advertiser perspective, as well as lay the groundwork for the underlying infrastructure for placement of the Ad Marker.

In the absence of metadata, it is expected that the placement of the Ad Marker would occur simply as the "last leg" of the ad serving process. The companies that choose to participate in the test phase would have discretion regarding the frequency of placement the Ad Marker on standard graphical ads. Disclosure elements would include actionable links from the Ad Marker, in order to begin consumer testing and education concerning the availability of an Ad Interstitial experience. It is expected that only standard graphical ad sizes and positions would be tested, rather than more complex scenarios such as those involving video, mobile and rich media ads.

## Phase 1: Simple Metadata

In this phase, metadata is introduced into the system. Each ad should carry, at a minimum, the two required JS Metadata Variables. This will allow for dynamic modification of the Ad Marker (different text) and population of the overlay Ad Interstitial with the metadata.

While only JS Metadata Variables are expressly supported in this phase, both Header and JS should be populated.

#### Phase 2: Advanced Metadata

In this phase, all metadata elements should now be included in both the JS and Header Metadata Variables. The industry should also be exploring enforcement mechanisms for non-participating parties in the ecosystem, for security solutions to block bad actors, and ways to centralize and codify metadata variables to reduce ad metadata sizes. Lastly, browser plug-ins should be developed to fully expose the rich Header metadata available to the consumer.

Phase 2 will be coordinated by the Self-Regulatory Program for Online Behavioral Advertising Working Group and will begin when a critical mass of companies are able to support the full implementation.

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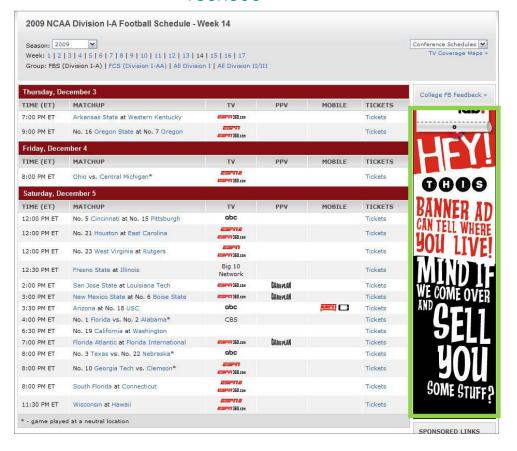
# ATTACHMENT C PRIVACY MATTERS CAMPAIGN

# **NBC** Universal



# **ESPN**

## 160x600







# **NY Times**

# 300x250 and 728x90





# Verizon

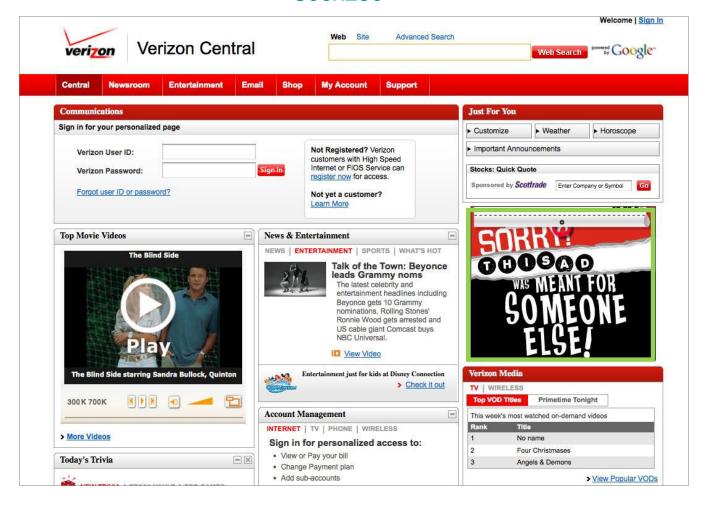


728x90





# Verizon

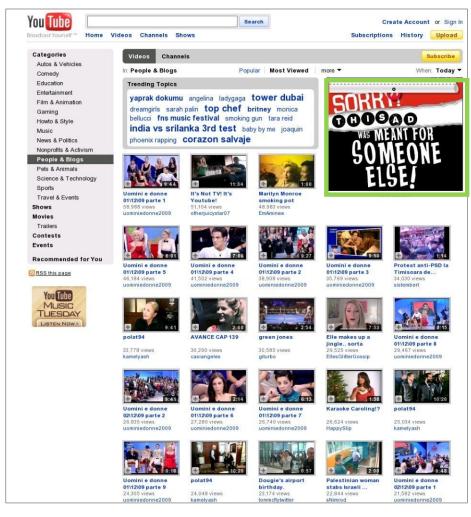




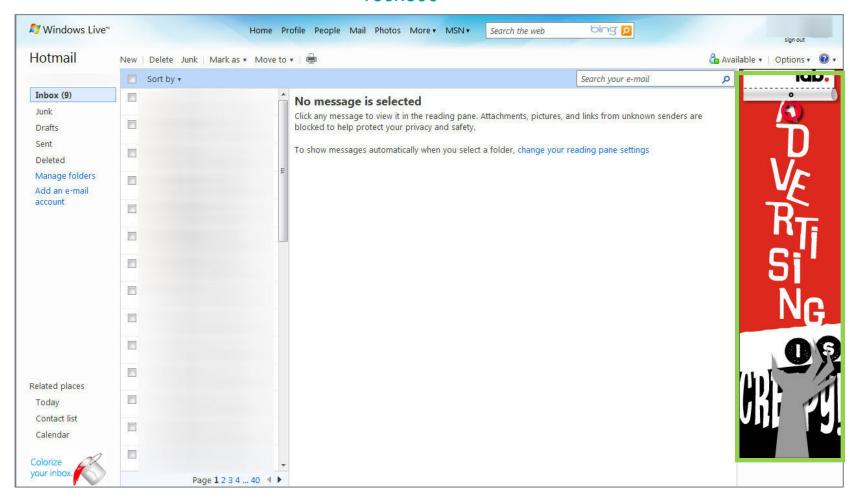
# **Wall Street Journal**



# YouTube

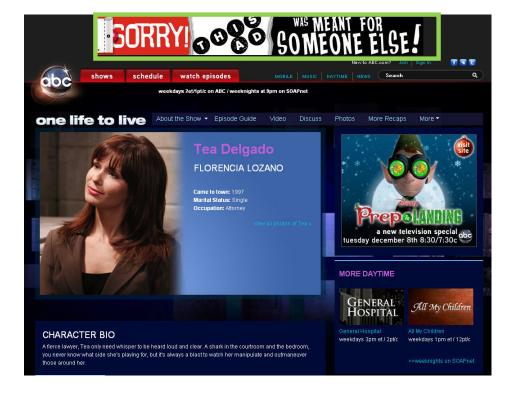


# **Microsoft**





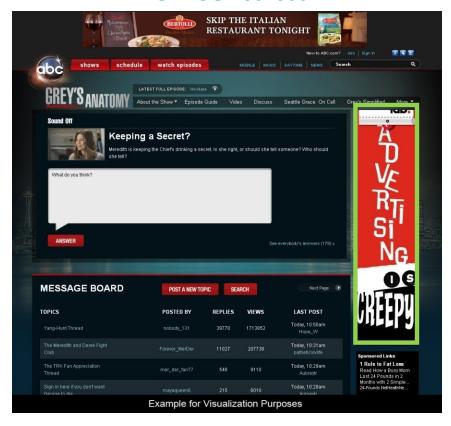
# **ABC ROS 728x90**



# ABC ROS 300x250



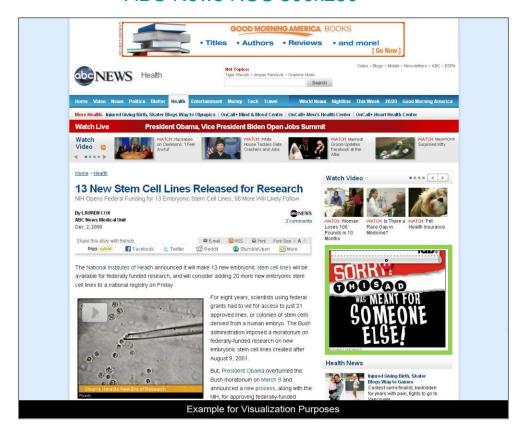
# ABC ROS 160x600



# ABC News ROS 728x90



# ABC News ROS 300x250

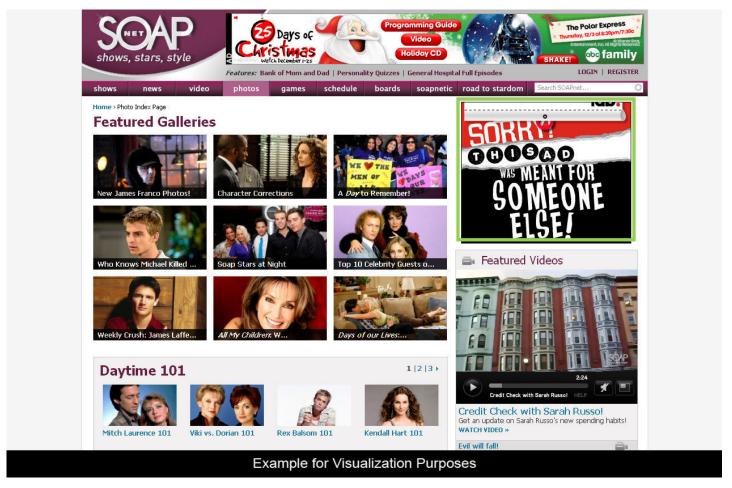


# ABC News ROS 160x600





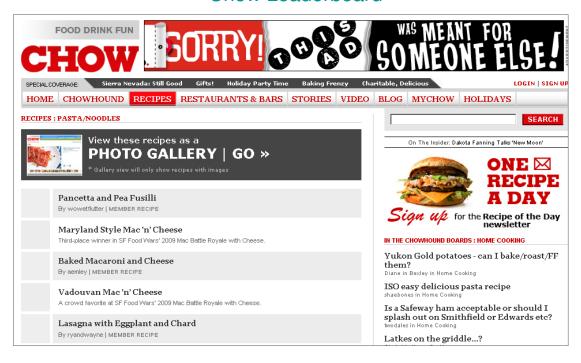
# Soapnet ROS 300x250



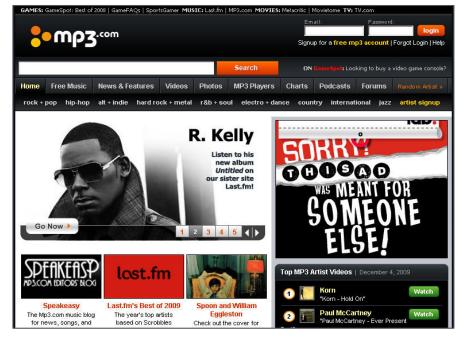
mediaedge:cia

# **CBS**

## **Chow Leaderboard**



# MP3.com 300x250





# **CBS**

# Gamefaqs Skyscraper

